

O-2024-31

AN ORDINANCE

AMENDING TITLE 2, CHAPTER 2.54, OF THE LAKEWOOD MUNICIPAL CODE REGARDING THE CAMPAIGN AND POLITICAL FINANCE IN MUNICIPAL ELECTIONS CODE FOR THE CITY OF LAKEWOOD, COLORADO

WHEREAS, the City of Lakewood ("Lakewood" or "City") is a home rule municipality organized under Article XX of the Colorado Constitution and the authority of the Home Rule Charter for the City of Lakewood (Charter);

WHEREAS, Sections 1.2 and 2.1 of the Charter vests all municipal legislative powers in the City Council, and authorizes the City Council to establish those laws necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort, and convenience of such municipality and the inhabitants thereof;

WHEREAS, the City Council desires to amend the City's code governing Campaign and Political Finance in Municipal Elections in order to clarify certain provisions and better serve the needs of the community;

WHEREAS, approval of this ordinance on first reading is intended only to confirm that the City Council desires to comply with the Lakewood Municipal Code by setting a public hearing to provide City staff and the public an opportunity to present evidence and testimony regarding the proposal; and

WHEREAS, approval of this ordinance on first reading does not constitute a representation that the City Council, or any member of the City Council, supports, approves, rejects or denies the proposal.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Lakewood, Colorado, that:

SECTION 1. Amendment of Title 2, Chapter 2.54. Title 2, Chapter 2.54 of the Lakewood Municipal Code shall be amended as follows:

Chapter 2.54 CAMPAIGN AND POLITICAL FINANCE IN MUNICIPAL ELECTIONS

2.54.010 Declaration.

As a home rule City established under Article XX of the Colorado Constitution, the City of Lakewood and the Lakewood City Council find and declare that preserving openness and integrity in the political process is in the best interests of the health, safety and welfare of the citizens of Lakewood. It is therefore the intent of this chapter Code to foster an open political process that emphasizes transparency and accountability to ensure, ~~as to~~ candidates for municipal office, that campaign donations do not result in corruption or the appearance of corruption. Further, in order to make informed decisions about the

election-related materials they see, voters of the City of Lakewood need complete and timely reporting to the City Clerk by all persons and/or groups subject to disclosure responsibilities, as well as accurate disclaimers that inform voters who paid for the communications distributed.

2.54.020 Definitions.

As used in this chapter, unless the context otherwise requires:

~~*Appropriate officer* means the City Clerk of the City of Lakewood. The City Clerk is the individual with whom a candidate, candidate committee, political committee, small donor committee, or issue committee must file all campaign related documents pursuant to this chapter.~~

Ballot issue means a local government matter arising under Section 20 of Article X of the State Constitution, as defined in Sections 1-41-102(4) and 1-41-103(4) of the Colorado Revised Statutes.

Ballot question means a local government matter involving a citizen petition or referred measure, other than a ballot issue.

Candidate means any person who seeks nomination or election to any local public office that is to be voted on at any municipal election. A person is a candidate for election if the person has publicly announced an intention to seek election to public office or thereafter has received a contribution or made an expenditure in support of the their candidacy. A person remains a candidate for purposes of this ~~chapter~~Code so long as the candidate maintains a registered candidate committee. A person who maintains a candidate committee after an election cycle, but who has not publicly announced an intention to seek election to public office in the next or any subsequent election cycle, is a candidate for purposes of this ~~chapter~~Code.

Candidate committee means a person and/or group, including the candidate, or persons with the common purpose of receiving contributions or making expenditures under the authority of a candidate. A contribution to a candidate shall be deemed a contribution to the candidate's candidate committee. A candidate shall have only one candidate committee. A candidate committee shall be considered open and active until affirmatively closed by the candidate or by action of the City Clerk.

Code means Chapter 2.54 of the Lakewood Municipal Code regarding Campaign Regulations and Political Finance in Municipal Elections.

~~*Conduit* means a person and/or group who transmits contributions from more than one person, directly to a candidate committee. "Conduit" does not include the contributor's immediate family members, the candidate or campaign treasurer of the candidate committee receiving the contribution, a volunteer fund raiser hosting an event for a candidate committee, or a professional fund raiser if the funder raiser is compensated at the usual and customary rate.~~

Contribution means:

- (I) the payment, loan, pledge, gift, or advance of money, or guarantee of a loan, made by any person or committee to any candidate committee, issue committee, political committee or small donor committee;
- (II) any payment made to a third party for the benefit of any candidate committee, issue committee, political committee or small donor committee;
- (III) the fair market value of any gift or loan of property made to any candidate committee, issue committee, political committee or small donor committee;
- (IV) anything of value given, directly or indirectly, to a candidate for the purpose of promoting the candidate's nomination, election, retention, or recall or election.

The term "Contribution" includes, with regard to a contribution for which the contributor receives compensation or consideration of less than equivalent value to such contribution, including, but not limited to, items of perishable or nonpermanent value, goods, supplies, services, or participation in a campaign-related event, an amount equal to the value in excess of such compensation or consideration as determined by the candidate committee.

The term "Contribution" also includes:

- (I) Any payment, loan, pledge, gift, advance of money, or guarantee of a loan made to any political organization;
- (II) Any payment made to a third party on behalf of and with the knowledge of the political organization; or
- (III) The fair market value of any gift or loan of property made to any political organization.

The term "Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, candidate committee, political committee or small donor committee; a transfer by a membership organization of a portion of a member's dues to a small donor committee or political committee sponsored by such membership organization; or payments by a corporation or labor organization for the costs of establishing, administering and soliciting funds from its own employees or members for a political committee or small donor committee.

Coordination means one or more substantial discussions relating to the making of one or more expenditures at the request, suggestion, or direction of, or under the control of or in consultation with a candidate committee or its agent (including a consultant) acting on behalf of or with the consent of a candidate, where such expenditure relies on non-public information.

Corporation means a domestic corporation incorporated under and subject to the "Colorado Business Corporation Act", Articles 101 to 117 of Title 7, C.R.S., a domestic nonprofit corporation incorporated under and subject to the "Colorado Revised Nonprofit Corporation Act", Articles 121 to 137 of Title 7, C.R.S., or any corporation incorporated under and subject to the laws of another state. For purposes of this ~~article~~Code, "domestic corporation" shall mean a for-profit or nonprofit corporation incorporated under and subject to the laws of the State of Colorado, and "nondomestic corporation" shall mean a corporation incorporated under and subject to the laws of another state or foreign

country. For purposes of this ~~article~~ Code, "corporation" includes the parent of a subsidiary corporation or any subsidiaries of the parent, as applicable.

Donation means:

- (I) The payment, loan, pledge, gift, or advance of money, or the guarantee of a loan, made to any person and/or group for the purpose of making an independent expenditure;
- (II) Any payment made to a third party that relates to, and is made for the benefit of, any person and/or group that makes an independent expenditure;
- (III) The fair market value of any gift or loan of property that is given to any person and/or group for the purpose of making an independent expenditure; or
- (IV) Anything of value given, directly or indirectly, to any person and/or group for the purpose of making an independent expenditure.

"Donation" shall not include a transfer by a membership organization of a portion of a member's dues for an independent expenditure sponsored by such membership organization.

Earmark means a designation, instruction, or encumbrance that directs the transmission by the recipient of all or part of a donation to a third party for the purpose of making one or more independent expenditures of \$500.00 or more.

~~*Election cycle* means the period of time beginning 31 days following a municipal election for the particular office and ending 30 days following the next municipal election for that office.~~ has the same meaning as that set forth within Colo. Const. Art. XXVIII, Section 6.

Electioneering communication means any communication broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, a website or other electronic communication transmitted by means of the internet, any signage placed in public view, or delivered by hand to personal residences or otherwise distributed that:

- (I) Unambiguously refers to any candidate without expressly advocating for that candidate; and
- (II) Is broadcast, printed, mailed, delivered or distributed within 60 days during the timeframe in which a candidate is seeking election or an issue is pending decision before a municipal election.
- ~~(III) Is broadcast to, printed in a newspaper distributed to, mailed to, delivered by hand or distributed in any way, electronically transmitted, or otherwise communicated by any means to any persons or any audience that includes members of the electorate for such public office; and~~
- (IV) (III) No provisions of the definition of electioneering communication shall be construed to infringe on any rights granted by the United States Constitution or Colorado Constitution.

Expenditure means any purchase, payment, distribution, loan, advance, deposit, or gift of money by any person and/or group for the purpose of expressly advocating the election

or defeat of a candidate or supporting or opposing a ballot issue or ballot question. An expenditure is made when the actual spending occurs or when there is a contractual agreement requiring such spending and the amount is determined. Expenditures may include reasonable expenses for child or adult dependent care to allow for active campaigning.

~~Exploratory committee means a committee formed by a potential candidate for the sole purpose of accepting contributions and making expenditures in order to determine whether or not the potential candidate should seek election to any public office of the city. "Exploratory committee" does not mean a political party, political committee, small donor committee, political organization, or independent expenditure committee.~~

Foreign corporation means:

- (I) A parent corporation or the subsidiary of a parent corporation formed under the laws of a foreign country that is functionally equivalent to a domestic corporation;
- (II) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a combined ownership interest that exceeds 50 percent;
- (III) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a majority of the positions on the corporation's board of directors; or
- (IV) A parent corporation or the subsidiary of a parent corporation whose United States-based operations, or whose decision-making with respect to political activities, falls under the direction or control of a foreign entity, including the government of a foreign country.

Frivolous means a claim or defense is lacking any rational argument based in law but does not include a legitimate attempt to establish a new theory of law or a good-faith effort to extend, modify, or reverse existing interpretations of law.

~~Groundless means a claim or defense is unsupported by any credible evidence, even if sufficient to withstand a motion to dismiss.~~

Group means any entity, other than a natural person, including but not limited to partnership, committee, association, corporation, labor organization, lobbyist, or other organization or group of persons.

Independent expenditure means an expenditure that is not controlled by or coordinated with any candidate or agent of such candidate. Expenditures that are controlled by or coordinated with a candidate or candidate's agent are deemed to be both contributions by the maker of the expenditure, and expenditures by the candidate's committee.

Independent expenditure committee means one or more persons and/or groups that make an independent expenditure in an aggregate amount \$500.00 or more, or that collect \$500.00 or more from one or more persons and/or groups for the purpose of making an independent expenditure.

Independent Hearing Officer means an individual with an extensive knowledge of the topic of this Code who is retained by the City to hear and decide alleged violations of this

Code. To encourage the expedition of hearings held pursuant to this Code, the City may retain more than a single hearing officer to create a list of hearing officers to draw from as needed or may contract with a law firm to provide an associated attorney to serve as a hearing officer when needed.

Issue committee means any person ~~and/or group~~, other than a natural person, or any group of two or more persons, including natural persons:

- (I) That has a major purpose of supporting or opposing any ballot issue, or ballot question ~~For purposes of this subsection, major purpose can be determined by the organization's demonstrated pattern of conduct by spending thirty percent or more of the organization's funds as of at any point in the current or two preceding calendar years in support or opposition to one or more ballot issues; or and~~
- (II) That has accepted or made contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question.

The term "Issue committee" does not include political parties, political committees, small donor committees or candidate committees. An issue committee shall be considered open and active until affirmatively closed by such committee or by action of the appropriate authority.

Limited liability company includes any form of domestic entity as defined in Section 7-90-102(13), C.R.S., or foreign entity as defined in Section 7-90-102(23), C.R.S.; except that, as used in this ~~chapter~~ Code, "limited liability company" shall not include a domestic corporation, a domestic cooperative, a domestic nonprofit association, a domestic nonprofit corporation, a foreign corporation, a foreign cooperative, a foreign nonprofit association, a foreign nonprofit corporation, as those terms are defined in Section 7-90-102, C.R.S., a nondomestic corporation as defined in Section 1-45-103(7), C.R.S. or a foreign corporation as defined in Section 1-45-103(10.5) C.R.S.

Media outlet means a publication or broadcast medium that transmits news, feature stories, entertainment, or other information to the public through various distribution channels, including, without limitation, newspapers; magazines; radio; the internet; and broadcast, cable, or satellite television.

Natural person means a human being.

Non-public information means confidential material in any form that is not available to the general public, including a non-public campaign plan, communications plan, campaign budget, specification of unmet and potentially unmet campaign needs, proposed or actual media buy, list or description of households or voters who will receive or have received materials under a mailing or other distribution program, polling or focus group results, or other proprietary material. "Nonpublic information," does not include communications dealing solely with candidate positions on legislative or policy issues or communications to or by an attorney, accountant, bookkeeper, or registered agent who provides services within the scope of their profession.

Obligating means, in connection with a named candidate, agreeing to spend \$500.00 more, for an independent expenditure or to give, pledge, loan, or purchase one or more goods, services, or other things of value that have a fair market value of \$500.00 or more, as an independent expenditure. "Obligating" shall not require that the total amount of

\$500.00 or more be finally determined at the time of the agreement to spend moneys for an independent expenditure or to give, pledge, loan, or purchase anything of value.

Person means any natural person, partnership, committee, association, corporation, labor organization, political party, or other organization or group of persons.

Political committee means any person and/or group, other than a natural person, or any group of two or more persons, including natural persons that have accepted or made contributions or expenditures in excess of \$200.00 to support or oppose the nomination or election of one or more candidates. "Political committee" does not include political parties, issue committees or candidate committees.

Political organization means a political organization defined in Section 527(e)(1) of the federal "Internal Revenue Code of 1986", as amended, that is engaged in influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and that is exempt, or intends to seek any exemption, from taxation pursuant to Section 527 of the Internal Revenue Code. "Political organization" shall not be construed to have the same meaning as "political organization" as defined in Section under Colorado Revised Statute §1-1-104(24), C.R.S. for purposes of the "Uniform Election Code of 1992", Articles 1 to 13 of this Title.

Political party means any group of registered electors who, by petition or assembly, nominate candidates for the official general election ballot. "Political party" includes affiliated party organizations at the state, county and election district levels, and all such affiliates are considered to be a single entity for the purposes of this ~~chapter~~Code.

Small donor committee means any political committee that has accepted contributions only from natural persons who each contributed no more than \$50.00 in the aggregate per year. For purposes of this ~~chapter~~Code, dues transferred by a membership organization to a small donor committee sponsored by such organization shall be treated as pro-rate contributions from individual members. "Small donor committee" does not include any entity that qualifies as a political party, political committee, issue committee, or candidate committee.

Spending means funds expended influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and includes, without limitation, any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything else of value by any political organization, a contract, promise, or agreement to expend funds made or entered into by any political organization, or any electioneering communication by any political organization.

Subsidiary means a business entity having more than half of its stock owned by another entity or person and/or group, or a business entity of which a majority interest is controlled by another person and/or group or entity.

Unexpended campaign contributions means the balance of funds on hand in any candidate committee at the end of an election cycle, less the amount of all unpaid monetary obligations incurred prior to the election in furtherance of such candidacy.

2.54.030 Candidates; Committees; Registration; Contribution Limits; Expenditures; Reporting.

A. *Candidates and Candidate Committees.*

- (1) *Affidavit of Candidacy.* Within ten days after an individual becomes a candidate and before circulating any petition, such individual shall certify, by affidavit filed with the City Clerk, that the candidate is familiar with the provisions of this ~~chapter~~Code. (See definition of candidate.)
- (2) *Candidate Committee Registration.* Except as otherwise provided in this ~~chapter~~Code, all candidate committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:
 - (a) The ~~organization~~committee's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - ~~(d) All affiliated candidates and committees;~~
 - ~~(e)~~(d) The purpose or nature of interest of the committee or party;
 - ~~(f)~~(e) The name of the financial institution where the committee has opened an account.
- (3) *Contribution Limits.* During an election cycle, a candidate committee may accept no more than \$400.00 from any natural person or political committee for candidates for City Council, and no more than \$800.00 from any natural person or political committee for candidates for Mayor. No candidate committee shall accept any contribution from any entity that is prohibited from contributing by this ~~chapter~~Code.
- (4) *Reports.*
 - (a) All candidate committees shall report to the City Clerk: their contributions received, including the name, address, and amount contributed of each contributor; expenditures made; and obligations entered into by the committee.
 - (b) In the case of contributions made to a candidate committee, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made contributions totaling \$100.00 or more to such committee.
- (5) *Reimbursement.* A candidate's candidate committee may reimburse the candidate for expenditures the candidate has made on behalf of the candidate committee. Any such expenditures may be reimbursed at any time. Notwithstanding any other provision of law, any expenditure reimbursed to the candidate by the candidate's candidate committee within the election cycle during which the expenditure is

made shall be treated only as an expenditure and not as a contribution to and an expenditure by the candidate's candidate committee.

Notwithstanding the date on which any such expenditure is reimbursed, the expenditure shall be reported at the time it is made in accordance with the requirements of this section.

- (6) *Unexpended contributions—Candidate committees.* Unexpended campaign contributions to a candidate committee may be:
- (a) Contributed to a candidate committee established by the same candidate for a different public office, and only after if the candidate committee for the original position that wishes to make~~making~~ such a contribution is affirmatively closed by the candidate no later than ten days after the date such a contribution is made;
 - (b) Donated to a charitable organization recognized by the internal revenue service;
 - (c) Returned to the contributors or retained by the committee for use by the candidate in a subsequent campaign;
 - (d) In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election of the candidate nor shall the contributions be donated to another candidate or candidate committee. However, this provision shall not prohibit a candidate committee from donating contributions to a candidate committee for the same candidate ~~but~~ for a different office;
 - (e) A candidate committee for a former officeholder or a person not elected to office shall expend all of the unexpended campaign contributions retained by such candidate committee, for the purposes specified in this subsection (6), no later than nine years from the date such officeholder's term expired or from the date of the election at which such person was a candidate for office, whichever is later;
 - (f) In addition to any use described in this subsection (6), a person elected to a public office may use unexpended campaign contributions held by the person's candidate committee for any of the following purposes:
 - (I) Voter registration;
 - (II) Political issue education, which includes obtaining information from or providing information to the electorate;
 - (III) Postsecondary educational scholarships;
 - (IV) To defray reasonable and necessary expenses related to mailings and similar communications to constituents;
 - (V) Any expenses that are directly related to such person's official duties as an elected official, including, but not limited to, expenses for the purchase or lease of office equipment and supplies, room rental for public meetings, necessary travel and lodging expenses for

legislative education such as seminars, conferences, and meetings on legislative issues, and telephone and pager expenses.

- (g) Unexpended campaign contributions held by a candidate committee cannot be donated to another person's candidate committee for any office or any other-issue committee; and
- (h) Notwithstanding any other provision of law, any unexpended campaign contributions retained by a candidate committee for use in a subsequent election cycle shall be counted and reported as contributions.

~~(6.5) Unexpended contributions—Exploratory committees. Unexpended contributions to an exploratory committee may be:~~

- ~~(a) Donated to a charitable organization recognized by the internal revenue service; or~~
- ~~(b)~~
- ~~Returned to the contributors.~~

~~(9)~~(7) Recall. Any candidate or candidate committee supporting any candidate, including an incumbent, in a recall election, shall file reports of contributions and expenditures with the City Clerk 4460, 30 and seven days before the recall election and 30 days after the recall election.

~~(10)~~(8) Disclaimer.

- (a) A candidate committee making an ~~expenditure on a~~ communication that supports or opposes any candidate and that is broadcast by television or radio, printed in a newspaper or on a billboard, or printed yard sign, directly mailed, made available by means of the internet, or delivered by hand to personal residences, or otherwise distributed shall state, in the communication ~~produced by the expenditure~~, that it is paid for by the candidate committee making the communication expenditure.
- (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.
- (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
- (d)
 - (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
 - (II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.
- (e) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

~~(9) Exploratory committees.~~

- ~~(a) An exploratory committee shall be subject to the same prohibitions on sources of contributions, the same dollar limits on contributions, the same~~

~~registration and disclosure requirements, and the same disclosure calendar as a candidate committee under this chapter.~~

- ~~(b) — An exploratory committee's name shall include the first name and last name of the potential candidate who causes it to be formed, as well as the words "Exploratory Committee."~~
- ~~(c) — No exploratory committee may expressly advocate the election of any natural person, by expenditure made or otherwise, or make any contribution to the candidate's candidate committee or to any other candidate's candidate committee.~~
- ~~(d) — An exploratory committee must be closed on or before the date of filing a candidate committee by that potential candidate. After closure and the filing of a final report on the next regularly scheduled reporting date as specified in Section 2.54.040(1)(a)(I)(A), an exploratory committee shall have no further reporting duties.~~
- ~~(e) — An exploratory committee shall place a disclaimer on each of its communications that states:

 - ~~(I) — The communication has been "paid for by (full name of the person and/or group paying for the communication)"; and~~
 - ~~(II) — The name of a natural person who is the registered agent of the exploratory committee.~~~~
- ~~(f) — In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.~~
- ~~(g) — In the case of a nonbroadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.~~
- ~~(h) — As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.~~

B. *Issue Committees.*

- (1) *Registration.* Subject to the provisions of this section, each issue committee shall register with the City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question, or circulate initiative petition for signature. If required to register under the requirements of this subsection, the registration of the issue committee shall include a statement containing the items listed in paragraphs (a) to (f) of Subsection A(2) of this section in connection with other committees below:
 - (a) The committee's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;

- (d) All affiliated committees;
- (e) The purpose or nature of interest of the committee or party;
- (f) The name of the financial institution where the committee has opened an account.

(2) *Ballot Issue or Ballot Question Determined.*

- (a) Notwithstanding any other provision of law, and subject to the provisions of this section, a matter shall be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby ~~—necessitating compliance with any disclosure, disclaimer, and reporting requirements of this chapter~~Code:
 - (I) For a citizen-initiated petition, a title for the matter ~~has been designated and fixed in accordance with law~~is set upon determination that the requisite number of signatures have been obtained and the petition has been determined to be sufficient;
 - (II) For a measure referred to voters by the City Council rather than by initiative petition, the Council has adopted an ordinance to refer such matter to the voters of Lakewood.
- (b) Notwithstanding the provisions of this subsection, where a matter concerns a municipal annexation brought pursuant to Article 12 of Title 31, C.R.S., the matter shall not be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby necessitating compliance with any disclosure and reporting requirements of this ~~chapter~~Code, unless and until the first notice of the annexation election has been published in accordance with the requirements of Section 31-12-112(6), C.R.S.

(3) *Recall.* Any issue committee whose purpose is the recall of any elected official shall register with the ~~appropriate officer~~City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose the recall. Reports of contributions and expenditures shall be filed with the ~~appropriate officer~~City Clerk ~~within 15 days of the filing of the committee registration and every 30 days thereafter until the date of the recall election has been established and then 1460 days, 30 days and seven days before the recall election and 30 days following the recall election.~~

(4) *Disclaimer.*

- (a) An issue committee making an expenditure of ~~\$500.00~~\$200.00 or more on a communication that supports or opposes a ballot issue or ballot question and that is broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, transmitted by means of the internet, or delivered by hand to personal residences, or posted by way of a yard sign, or otherwise distributed shall disclose, in the communication produced by the expenditure, the name of the issue committee making the expenditure.

- (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.
 - (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
 - (d) (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
 - (II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.
 - (III) In the case of a limited liability company, the disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.
 - (e) If the communication is transmitted by means of the internet, the disclaimer shall appear on or adjacent to the communication.
- (5) *Unexpended Contributions.* Unexpended contributions to an issue committee may be donated to any charitable organization recognized by the Internal Revenue Service or returned to the contributor.
- C. *Small Donor Committees.*
 - (1) *Registration.* Except as otherwise provided in this section, all small donor committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:
 - (a) The organization's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - (d) All affiliated candidates and committees;
 - (e) The purpose or nature of interest of the committee or party.
 - (2) *Contribution limits.* During an election cycle, only natural persons may contribute to a small donor committee in an amount not more than \$50.00 to such small donor committee.
 - (3) *Contributions to candidate committees.* During an election cycle, small donor committees may contribute up to \$1,600.00 to candidates for mayor and up to \$800.00 to candidates for city council.
- D. *All Committees—Disclosures; Prohibited Contributions.*
 - (1) Disclosures.

- (a) All candidate committees shall report to the City Clerk; their contributions received, including the name; address; and amount contributed of each contributor ~~including the cumulative total of all contributions from each individual contributor~~; expenditures made; and obligations entered into by the committee. Beginning January 1, 2025, the cumulative total of all contributions from each individual contributor shall also be reported.
 - (b) *Contributions over \$100.00.* In the case of the aggregate contributions made to a political committee or issue committee during an election cycle, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made a contribution of \$100.00 or more to such committee.
- (2) Prohibited Contributions.
- (a) During an election cycle, no committee may accept any contribution from:
 - (I) A political party;
 - (II) An entity formed under and subject to the laws of a foreign country;
 - (III) A natural person who is not a citizen of the United States;
 - (IV) A foreign government; or
 - (V) Any person and/or group otherwise prohibited by law from making the contribution.
 - (b) No committee may accept any contribution in currency or coin of more than ~~\$20.00~~ \$100.00 from any contributor or fail to report each contributor of currency or coin, regardless of the amount of the contribution made in currency or coin.
 - (c) No candidate committee shall accept any contribution from any corporation or any labor organization.
 - (d) No candidate may accept any contribution without reporting the identity of the contributor. No candidate may solicit anonymous contributions including any solicitation commonly referred to as "pass the hat" or "fishbowl" solicitation. Website contributions may be accepted if the contributor is properly identified.
- E. *Political Organizations.*
- (1) Any political organization shall report to the City Clerk in accordance with the requirements of this ~~chapter~~ Code:
 - (a) Any contributions it receives, including the name and address of each person and/or group who has contributed more than \$20.00 or more to the political organization in the reporting period, and the occupation and employer of each natural person who has made a contribution of \$100.00 or more to the political organization; and
 - (b) Any spending by the political organization in any one (1) reporting period.

- (2) During an election cycle, no political organization shall accept a contribution in currency or coin of more than ~~\$20.00~~ \$100.00 from any contributor or fail to report the receipt of contributors of currency or coin.
- (3) Nothing in this section shall be construed to:
 - (a) Require any political organization to make any additional disclosure pursuant to this section to the extent the political organization is already providing disclosure as a committee in a manner that satisfies the requirements of this ~~chapter~~ Code; or
 - (b) Authorize the City Clerk to require disclosure of the name of any natural person that is a member of an entity unless the natural person has made a contribution to a political organization in the amount of more than \$20.00 in a reporting period.

F. *Independent Expenditures/Independent Expenditure Committees.*

- (1) *Registration.*
 - (a) Any person and/or group that accepts a donation as an Independent Expenditure Committee that is given for the purpose of making an independent expenditure of \$500.00 or more or that makes an independent expenditure of \$500.00 or more shall register with the City Clerk within two business days of the date on which an aggregate amount of donations accepted or expenditures made reaches or exceeds \$500.00.
 - (b) The registration required by paragraph (a) of this subsection (1) shall include each of the items listed in Section 2.54.030(A)(2) and:
 - (I) Any individual acting as an Independent Expenditure Committee shall provide that person's full name, spelling out any acronyms used therein; and
 - (II) The aggregate ownership interest in the Independent Expenditure Committee held by foreign nationals or foreign corporations calculated as of the time the person and/or group registers as an Independent Expenditure Committee with the City Clerk under paragraph (a) of this subsection (1).
 - (c) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a corporation, a subsidiary may register on behalf of its parent corporation or for other subsidiaries of the parent corporation, and the parent corporation may register on behalf of all of its subsidiaries. In each such case, the registered agent of the person and/or group registering shall serve as the registered agent for all such affiliated corporations. Registration of a subsidiary shall include the name of its parent corporation as well as any names under which the subsidiary does business.

- (d) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a labor organization, a local labor organization may register on behalf of any affiliated local, national, or international labor organization that will be making independent expenditures, and a national or international labor organization may register on behalf of any affiliated local labor organization that will be making independent expenditures. In each such case, the registered agent of the labor organization that is registering shall serve as the registered agent for each affiliated local, national, or international labor organization.

(2) *Reporting.*

- (a) In addition to any other applicable disclosure requirements specified in this articleCode, any person and/or group making an independent expenditure in an aggregate amount of \$500.00 or more in any one calendar year shall report the following to the City Clerk:
 - (I) The person and/or group's full name, or, if the person and/or group is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;
 - (II) All names under which the person and/or group does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (a);
 - (III) The address of the home office of the person and/or group, or, if the person and/or group is a subsidiary of a parent corporation, the home office of the parent corporation; and
 - (IV) The name and street address in the state of its registered agent.
- (b) ~~(I)–~~ Any person and/or group who expends an aggregate amount of \$500.00 or more per calendar year for the purpose of making an independent expenditure shall report to the City Clerk, in accordance with the requirements of this section, the name and address of any person and/or group that, for the purpose of making an independent expenditure, donates more than \$250.00 per year to the person and/or group expending \$500.00 or more on an independent expenditure.
 - (II) If the person and/or group making the donation of \$250.00 or more is a natural person, the disclosure required by subparagraph (I) of this paragraph (b) shall also include the donor's occupation and employer.
 - (III) If the person and/or group making the donation of \$250.00 or more is not a natural person, the disclosure required by this paragraph (b) shall also include:
 - (A) The donor's full name, or, if the donor is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;

- (B) All names under which the donor does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (b);
 - (C) The address of the home office of the donor, or, if the donor is a subsidiary of a parent corporation, the home office of the parent corporation; and
 - (D) The name and street address in the state of the donor's registered agent.
- (c) The information required to be disclosed pursuant to paragraph (a) of this subsection (4) shall be reported in accordance with the schedule specified in this ~~chapter~~Code; except that any person and/or group making an independent expenditure of \$500.00 or more within 30 days before a municipal election shall provide such report within 48 hours after obligating moneys for the independent expenditure.
- (3) *Disclaimer.*
 - (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any communication that is broadcast, printed, mailed, delivered, posted, or otherwise circulated that constitutes an independent expenditure for which the person and/or group making the independent expenditure expends of \$500.00 or more on the communication shall include in the communication a statement that:
 - (I) A statement that the communication has been "paid for by (full name of the person and/or group paying for the communication)"
 - (II) A statement that that the communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
 - (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
 - (c) In the case of a ~~nonbroadcast~~non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.
 - (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.
- (4) *Disclosure.* Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that expends an aggregate amount of \$500.00 or more on an independent expenditure in any one calendar year shall deliver written notice to the City Clerk that shall list with specificity the name of the candidate whom the independent expenditure is intended to support

or oppose. Where the independent expenditure is made within 30 days before an election, the notice required by subsection (3) shall be delivered within 48 hours after the person and/or group obligates moneys for the independent expenditure.

- (5) *Accounting.* Any person and/or group that accepts any donation that is given for the purpose of making an independent expenditure or expends any moneys on an independent expenditure in an aggregate amount more than \$20.00 in any one calendar year shall establish a separate account in a financial institution, and the title of the account shall indicate that it is used for such purposes. All such donations accepted by such person and/or group for the making of any such independent expenditures shall only be deposited into the account, and any moneys expended for the making of such independent expenditure shall only be withdrawn from the account. As long as the person and/or group uses a separate account for the purposes of this section, in any enforcement proceeding relating to the use of the person and/or group's account, no discovery may be made of information relating to the identity of the person and/or group's members and general donors and any discovery is limited to the sources, amounts, and uses of donations deposited into and expenditures withdrawn from the account.
- (6) *Donation.* Any person and/or group that expends moneys on an independent expenditure of \$500.00 or more, regardless of the medium of the communication produced by the expenditure, shall disclose to the City Clerk, in accordance with the schedule specified in in this ~~chapter~~Code, any donation given in that reporting period for the purpose of making an independent expenditure.
- (7) *Identification of CEO and Lobbyists.* Any person and/or group that donates \$1,000.00 or more to any person and/or group during any one calendar year for the purpose of making an independent expenditure shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:
 - (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
 - (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S.24-6-301(1.7); and
 - (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.
- (8) *Source of Donation.*—Any earmarked donation given for the purpose of making an independent expenditure of \$500.00 or more shall be disclosed as a donation from both the original source of the donation and the person and/or group transferring the donation.
- (9) *Provisional Designation of FMV.*— On reports it files with the City Clerk, an independent expenditure committee that obligates \$500.00 or more for an independent expenditure shall disclose a good faith estimate of the fair market

value of the expenditure if the committee does not know the actual amount of the expenditure as of the date that a report is required to be filed with the City Clerk.

- (10) *Labor Organizations.* Notwithstanding any other provision of this section, any requirement contained in this section that is applicable to a corporation shall also be applicable to a labor organization.

G. *Limited Liability Companies.*

(1) *Prohibition on Contributions.*

- (a) No limited liability company shall make any contribution to a candidate committee ~~or exploratory committee~~ if one or more of the individual members of the limited liability company is:

- (I) A natural person who is not a citizen of the United States;
- (II) An entity formed under and subject to the laws of a foreign country;
- (III) A foreign government; or
- (IV) Otherwise prohibited by law from making the contribution.

- (b) No limited liability company shall make any contribution to a political committee if one or more of the individual members of the limited liability company is:

- (I) A natural person who is not a citizen of the United States;
- (II) An entity formed under and subject to the laws of a foreign country;
- (III) A foreign government; or
- (IV) Otherwise prohibited by law from making the contribution.

- (c) Notwithstanding any other provision of this subsection (G), no limited liability company shall make any contribution to a candidate committee ~~or exploratory committee~~ if either the limited liability company has elected to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 or any successor provision or the shares of the limited liability company are publicly traded. A contribution by a limited liability company with a single natural person member that does not elect to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 shall be attributed only to the single natural person member.

(2) *Disclosure.*

- (a) The disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.
- (b) Any limited liability company that is authorized to make a contribution and which does make a contribution of \$100.00 or more to a candidate committee ~~or exploratory committee~~ shall, in writing, affirm to the candidate committee ~~or exploratory committee~~ to which it has made a contribution that it is authorized to make a contribution, which affirmation shall also state the

names and addresses of all of the individual members of the limited liability company. No candidate committee ~~or exploratory committee~~ shall accept a contribution from a limited liability company unless the written affirmation satisfying the requirements of this paragraph (b) is provided before the contribution is deposited by the candidate committee ~~or exploratory committee~~. The candidate committee ~~or exploratory committee~~ receiving the contribution shall retain the written affirmation for not less than one year following the date of the end of the election cycle during which the contribution is received. Any limited liability company that makes a contribution of less than \$100.00 shall not be required to identify the individual members of the limited liability company.

- (c) Any limited liability company that contributes to a candidate committee ~~or exploratory committee~~ shall attribute its contribution to its members by their percentage interests. No person and/or group who is a member of a limited liability company may exceed the contribution limits imposed by this ~~chapter~~Code. Contributions to candidate committees, exploratory committees, or political committees, whether contributed from a person and/or group's own funds or by the funds attributed to that person and/or group from a limited liability company, shall be aggregated for purposes of determining that person and/or group's compliance with the applicable contribution limits.

H. *Political committees.*

(1) *Registration.* Except as otherwise provided in this section, all political committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:

- (a) The organization's full name, spelling out any acronyms used therein;
- (b) A natural person authorized to act as a registered agent or representative;
- (c) A street address and telephone number for the principal place of operations;
- (d) All affiliated candidates and committees;
- (e) The purpose or nature of interest of the committee or party.

(2) *Contribution limits.* During an election cycle, a political committee may not accept contributions in excess of ~~\$250.00~~ the limits imposed by Article XXVIII of the Constitution of Colorado under Section 3, Contribution Limits, subsection (1)(b), and as adjusted pursuant to subsection (13) of that same section.

2.54.040 Reporting Requirements—Where and When Filed.

(4A) (a1) Except as otherwise provided in this ~~chapter~~Code, all reports that are required to be submitted shall be filed with the City Clerk pursuant to the following schedule:

- (1a) In the year of a regular municipal election, on April 15th, July 15th, September 15th, October 15th, the Wednesday immediately preceding Election Day,

~~and 30 days (A) On the 270th, 180th, 90th, 60th, 30th, and 7th before the regular municipal election; and (B) On the 30th day after the regular municipal election.~~

- (b) In addition, such reports must be filed annually, in years other than regular municipal election years, on the first day of the month in which the anniversary of the regular municipal election occurs.
- (c) For incumbent members of city council not up for re-election in a regular municipal election year, such reports may be filed annually on the first day of the month in which the anniversary of the regular municipal election occurs.
- (d) If the reporting day falls on a weekend or legal holiday, the report shall be filed by the close of the next business day.
- (e) The reports required by this section shall also include:
 - (I) the balance of funds at the beginning of the reporting period;
 - (II) the total of contributions received during the reporting period;
 - (III) the total of expenditures made during the reporting period;
 - (IV) the total of all loans, ~~and loan repayments~~ and loan forgiveness in the reporting period);
 - (V) ~~and the name and address of the financial institution used by the committee; and~~
 - (VI) the total cumulative amount from all reports for (II), (III), and (IV).
- (f) The reports required by this section shall be filed regardless of whether the candidate committee received any contributions or made any expenditures during the reporting period. A candidate committee for a former officeholder or a person and/or group not elected to office that has no change in the balance of funds maintained by such committee, receives no contributions, makes no expenditures, and enters into no obligations during a reporting period shall nevertheless be required to file a report under this section for such period.
- (g) All reports shall be filed with the City Clerk ~~pursuant to this subsection (1) shall be for the reporting periods established pursuant to rules promulgated by the City Clerk.~~
- (h) The reporting period for all reports required to be filed with the City Clerk shall close three calendar days prior to the mandated date of filing.
- (i) After a proposed ballot question or proposed ballot issue becomes an "issue" under Section 2.54.030(B)(2)(a), issue committees shall file reports on the ~~fifth day of January, April, July, and October until the sixtieth day before the election at which such issue will be presented to the voters of Lakewood, at which point issue committees shall file on the 90th, 60th, 30th, and 7th days before such election, as well as 30 days after such election.~~

- (j) Where a special election has been scheduled, reports by committees or person and/or groups who contribute, expend, or spend moneys that are reportable must file their reports on the 60th, 30th, and 7th day before such election, as well as 30 days after such election.
- (2) Reserved.
- (3) ~~Any candidate or candidate committee supporting any candidate, including an incumbent.~~ All committees involved in supporting or opposing, a position in a recall election, including candidate, issue and political committees, or advocating the recall of any incumbent, shall file reports of contributions and expenditures with the City Clerk 90, 60, 30, and seven days before the recall election and 30 days after the recall election.
- (4) For the purpose of meeting the filing and reporting requirements of this ~~article~~Code, candidates in municipal elections, their candidate committees, any political committee in support of or in opposition to such candidate, an issue committee supporting or opposing a municipal ballot issue, and small donor committees making contributions to such candidates, as well as any independent expenditure committees that expressly advocate and any person and/or groups making electioneering communications that unambiguously refer to such candidates, shall file with the City Clerk.
- (5)
 - (a) The City Clerk shall establish, operate, and maintain a system that enables electronic filing using the internet of the reports required by this ~~article~~Code to be filed with the City Clerk's Office. If possible, the City Clerk shall utilize the same, or similar system for campaign finance reporting as the Colorado Secretary of State. The City Clerk may require any filing under this section to be made by electronic means as determined by the City Clerk. The rules for use of the electronic filing system shall be promulgated by the City Clerk. The City Clerk shall make all filings required by this section publicly available on the City Clerk's website no later than the close of business on the third business day after the filing was received.
 - (b) Any person and/or group required to file with the City Clerk's Office shall use the electronic filing system described in paragraph (a) of this subsection (5) in order to meet the filing requirements of this ~~article~~Code, if so required by the Clerk in accordance with paragraph (a) of this subsection (5), except insofar as an alternate method of filing may be permitted by the City Clerk. Where a person and/or group uses such electronic filing system to meet the filing requirements of this ~~article~~Code, the City Clerk shall acknowledge by electronic means the receipt of such filing.
- (6) Subsection (1) of this section shall not be construed to require the City Clerk to review electronically filed reports.

A. *Forms—Rules—Recordkeeping.* The City Clerk shall:

- (1) Prepare forms and instructions to assist candidates and the public in complying with the reporting requirements of this ~~chapter~~Code and make such forms and instructions available to the public free of charge, and provide training sufficient to acquaint candidates and the public with all provisions of this Code;
- (2) Promulgate such rules as may be necessary to enforce and administer any provision of this ~~chapter~~Code;
- (3) Maintain a filing and indexing system consistent with the purposes of this ~~chapter~~Code;
- (4) Make the reports, complaints, and statements filed with the City Clerk's Office available immediately for public inspection and copying. The City Clerk may charge a reasonable fee for providing copies of reports. The City Clerk shall make all reports, complaints, and statements required by this section publicly available on the City Clerk's website no later than the close of business on the day after the filing was received. No information copied from such reports shall be sold or used by any person and/or group for the purpose of soliciting contributions or for any commercial purpose;
- (5) Keep a copy of any report or statement required to be filed by this ~~chapter~~Code for the period set forth in the city's records retention policy; and
- (6) Notify any person and/or group under their jurisdiction who has failed to fully comply with the provisions of this ~~chapter~~Code and notify any person and/or group if a complaint has been filed with the City Clerk alleging a violation of this ~~chapter~~Code. The Clerk shall notify, within 24 hours~~three business days,~~ of the person's or group's failure to complete the mandatory filing documents ~~comply with the provisions of this chapter and/or of the filing of a complaint alleging a violation of this chapter.~~

B. *Enforcement.*

- (1) Any person and/or group who believes that a violation of this ~~chapter~~Code has occurred may file a written complaint with the City Clerk no later than 120 days after the date of filing of the report containing the alleged violation. The City Clerk shall, within 24 hours, notify the person or group who/which is the subject of the allegation that a complaint alleging a violation of this section has been filed. The City Clerk shall also determine within 72 hours~~three business days~~ of the filing of the complaint whether or not the complaint is valid. A complaint is valid if it: is frivolous or groundless
 - (a) Was timely filed under this code;
 - (b) Specifically identifies one or more violations of this code; and
 - (c) Alleges/contains sufficient facts to support a factual and legal basis for the finding of violations of law as alleged.
- (2) Within the same 72-hour~~three business day~~ period the City Clerk shall notify the parties of the Clerk's determination and post a copy of the City Clerk's decision on

~~the City Clerk's website. who has been alleged to have committed a violation within 24 hours of the receipt of a complaint and shall determine~~ The City Clerk's decision shall be based on the complaint and any additional inquiry made by the City Clerk of identified interested parties, and whether the complaint is frivolous or groundless meets the above stated qualifications. The City Clerk shall dismiss a ~~frivolous or groundless complaint that doesn't meet the stated requirements of this section and shall~~ notify the parties. Where a complaint is ~~neither frivolous nor groundless~~ deemed to meet the requirements of this section, the City Clerk shall so notify the parties. ~~The City Clerk shall within 72 hours of the filing of the complaint determine whether or not the complaint is frivolous or groundless, and shall within that same 72 hours notify the parties of that determination, and post a copy of the City Clerk's determination on the City Clerk's website. Additionally, the following provisions shall be applied to any complaint deemed to meet the requirements of this section.~~

- (a) When a person and/or group can cure its non-compliance due to an inadequate report or a failure to file a required report or item thereon, the City Clerk shall accept an amended report or reports within 72 hours three business days of notifying the parties that the complaint is ~~neither frivolous or groundless~~ valid.
- (b) Unless any non-compliance is dismissed, is cured as provided herein, or results in penalties imposed by the City Clerk as provided herein, the City Clerk shall refer a ~~non-frivolous, non-groundless~~ complaint to an independent hearing officer within three days of the City Clerk's determination. Within five (5) business days of determining that the complaint is valid the City Clerk shall announce a date for a hearing~~hearing officer shall hold a hearing within 15 5 days of the referral of the complaint.~~ The Clerk shall prioritize holding such hearing within thirty (30) days from the date that non-compliance is found, but such hearing date may be later due to the scheduling of the hearing officer, witnesses, and other interested parties. ~~but a~~Any party shall be granted an extension of up to ~~30~~15 days upon motion, or longer upon a showing of good cause. The City Attorney shall engage an attorney not employed by the City who is experienced in campaign finance law to or his designee shall represent the City Clerk in prosecuting any non-frivolous, non-groundless-valid complaint referred to a hearing officer and that attorney shall present the case to the hearing officer and be allowed to present evidence, including witnesses, in support of the claims. The person against whom the complaint was filed shall be allowed to rebut the claims in the complaint and present evidence, including witnesses, in support thereof.
- (c) The hearing officer shall render a decision within ~~fifteen (15)~~ 5 days after the hearing. If the hearing officer determines that a violation has occurred, the decision shall include any appropriate order, sanction or relief authorized by this ~~chapter~~Code. The decision of the hearing officer shall be final, subject to review by the district court. The hearing officer is not a necessary party to the review. When final, the decision shall be enforced

by the City Clerk. The failure of a hearing officer to render a decision within 15 5-days will result in the City Attorney's Office contacting ~~to the hearing officer from the City Attorney's Office and requesting an expeditious a decision within five (5) 2 days or the City Attorney may dismiss the hearing officer and appoint a replacement hearing officer.~~ Failure to render a decision within thirty (30) days following the conclusion of a hearing shall make such hearing officer ineligible to serve as a hearing officer for the City for two years.

~~(b)~~(d) The hearing officer shall impose a fine in accordance with this Code. Where the hearing officer is given discretion to determine the appropriate fine amount such determination shall be made based upon the facts, evidence and any documents upon which the hearing officer relied in making the determination of the matter. Additionally, the hearing officer shall invite both parties to submit written arguments in support of the imposition of a specific fine amount.

~~1.3 Based on information of which the City Clerk is aware and finds credible and reliable, the City Clerk may initiate a complaint by transmitting specific allegations, in writing, to the party believed to be in violation of any provision of this chapter. When the City Clerk has written confirmation that the Complaint has been received by the party to whom it was addressed, the provisions of subsections (1.2) and (2) of this section apply.~~

- (3) ~~Both T~~ Both the City Clerk, and a hearing officer are authorized to issue subpoenas upon referral to a hearing officer, a hearing officer are authorized to issue subpoenas. Any subpoenas requiring the production of documents by an issue committee shall be limited to documents pertaining to contributions to, or expenditures from, the committees' separate account established pursuant to this chapter to support or propose a ballot issue or ballot question. If the issue committee fails to form a separate account through which a ballot issue or ballot question is supported or opposed, the subpoena shall not be subject to the foregoing limitation.
- (4) The hearing officer shall not accept as a defense to any alleged violation that the violation was unintentional or that the alleged violator was unaware of the requirements of this code.

C. *Sanctions.*

- (1) Any person and/or group who violates any provision of this ~~chapter~~Code by making prohibited contributions to any committee shall be subject to a civil penalty of ~~at least double and up to five two~~ times the amount contributed, received, or spent in violation of the applicable provision. Any candidate committee that accepts prohibited contributions shall be subject to a civil penalty in the amount of ~~one to two~~ times the amount contributed. Candidates shall be personally liable for penalties imposed upon the candidate's committee.

- (2) (a) Any committee ~~other than an exploratory committee~~ that fails to file required reports or any required disclosure on such reports shall be subject to penalties, imposed by the City Clerk's Code, of up to:

\$10.00 per day for the first through the fifth day the information is late;

\$25.00 per day ~~for~~ from the sixth day to the tenth day the information is late;

\$50.00 per day for eleventh through the date the required report is filed, ~~the fifteenth day the information is late.~~

- (b) The City Clerk must provide notice, via email at an email address provided by the candidate or committee, of any failure to file required reports, or file complete reports, after the report is ~~three days~~ 24 hours late due date. ~~Should the City Clerk fail to do so, no fines shall be assessed beyond those fines for the original three days overdue.~~
- (c) ~~After such notice is provided by the City Clerk, a candidate or committee is allowed three days to file or cure a report that was incorrectly filed, without any other fines assessed beyond those fines for the original three days overdue.~~ All fines imposed for violation of this Code shall be published on the City Clerk's website from the date of imposition until thirty (30) days following the date upon which the fine was paid.
- ~~(d) For information filed more than 15 days after it is due, the City Clerk shall refer the matter to a hearing officer who may impose appropriate penalties based upon the evidence admitted at hearing.~~

- (2.1) (a) As to all person and/or groups and committees other than candidate committees and ~~exploratory committees~~, a hearing officer ~~may~~ shall impose the following penalties, in conformance with L.M.C. 2.54.050(B)(2)(d) regarding hearing officer authority to impose fines, if it is established that a disclaimer required to be used pursuant to this ~~chapter~~ Code did not materially comply with the requirements of this ~~chapter~~ Code:

Up to \$1,000.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$2,500.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$5,000.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

- ~~(b) As to candidate committees, t~~ The City Clerk shall impose the following penalties shall be imposed on candidate committees if it is established that a disclaimer required to be used pursuant to this ~~chapter~~ Code was not included on the communication distributed or did not materially comply with the requirements of this ~~chapter~~ Code:

\$100.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$250.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$500.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

~~(2.2) (a) An exploratory committee that fails to file any required reports or any required disclosure on such reports shall be subject to penalties, imposed by the City Clerk, of up to \$10.00 per day for each day the information is late.~~

~~(b) As to exploratory committees, the City Clerk shall impose a penalty if it is established that a disclaimer required to be used pursuant to this chapter was not included on the communication distributed or did not materially comply with the requirements of this chapter. Such penalty shall be \$100.00 for communications received prior to the potential candidate's filing of their candidate affidavit, as provided in Section 2.54.030(A)(1).~~

(2.2) Scope of Violation. The intent of the concept of "violation" as used in this code is to recognize that a singular act, such as misprinting yard signs, shall be prosecuted as a single violation rather than counting each misprinted sign (or other item) as individual violations of this Code.

~~(2.3) Where a disclaimer has been omitted but the origin of the communication is not apparent to the City Clerk, the City Clerk may retain appropriate professionals to assist in identifying, investigating, and, where appropriate, initiating a complaint against the person and/or group that paid for or facilitated the distribution of such communication without the required disclaimer. Person and/or groups who paid for or facilitated the distribution of such communications may be ordered, as part of any sanction imposed, to fully reimburse the City Clerk for the costs of identifying and investigating said person and/or group.~~

(2.3) For all other violations of this code where a penalty is not specified, the penalty shall be \$250.00 per violation.

(3) Upon imposition of a penalty pursuant to this subsection, the City Clerk shall send the person and/or group upon whom the penalty is being imposed proper notification by certified mail of the imposition of the penalty. If an electronic mail address is on file with the City Clerk, the City Clerk shall also provide such notification by electronic mail.

(4) Any person and/or group required to file a report with the City Clerk or required to include a disclaimer on a candidate communication regulated by this ~~chapter~~Code and upon whom a penalty has been imposed pursuant to this section may appeal such penalty by filing a written appeal with the City Clerk no later than 30 days after the date on which notification of the imposition of the penalty was mailed to such person and/or group's last known address. Except as provided herein, the

City Clerk shall refer the appeal to the hearing officer. Any hearing conducted by a hearing officer shall be conducted in accordance with any standardized rules and regulations-procedures promulgated by the City Clerk pursuant to this ~~chapter~~ Code. The hearing officer shall set aside or reduce the penalty upon a showing of good cause, and the person and/or group filing the appeal shall bear the burden of proof. The decision of the hearing officer shall be final and subject to review by the district court. If the hearing officer finds that the filing of an appeal brought pursuant to this section was ~~frivolous, groundless, or vexatious~~ frivolous, the hearing officer shall order the person and/or group filing the appeal to pay reasonable attorney fees and costs of the City Clerk in connection with such proceeding.

- (5) In connection with any complaint brought to enforce any requirement of this ~~chapter~~ Code, including a complaint initiated by the City Clerk, the hearing officer shall order disclosure of the source and amount of any undisclosed donations, spending, contributions, or expenditures.
- (6) In any action brought to enforce any provision of this ~~chapter~~ Code, the membership lists of a labor organization or, in the case of a publicly held corporation, a list of the shareholders of the corporation, shall not be disclosed by means of discovery or by any other manner.
- (7) The City Clerk may reject any report if it is incomplete ~~or contains any inaccurate information~~. The applicant shall have ten days from the date the City Clerk provides notice of the deficiency to amend the report to cure any such deficiency.
- ~~(8) The City Clerk shall adopt rules that establish criteria for waiver of a penalty for noncompliance in the event a committee has substantially complied with this ordinance, or any noncompliance occurred despite the good faith efforts of the committee to comply with this ordinance.~~
- ~~(9)~~ (8) Any unpaid debt owed to the City of \$1,000.00 or more, resulting from a penalty imposed pursuant to this Chapter 2.54, shall be collected by the City of Lakewood through such judicial remedies as the City of Lakewood may initiate. If the City of Lakewood pursues such remedies, it shall be entitled to recover its: costs incurred as ~~provided in subsection (2.4) of this Section 2.54.050; attorney fees; costs of litigation; and other fees associated with the legal action undertaken.~~ The court may also issue such orders as it finds necessary or appropriate to enforce any order requiring disclosure of the source and amount of any undisclosed donations, spending, contributions, or expenditures.

2.54.060 City Limitations on Contributions.

- A.(1) No agency, department, board, division, bureau, commission, or council of the City of Lakewood shall make any contribution in campaigns involving the nomination, retention, or election of any person and/or group to any public office, nor shall any such entity make any donation to any other person and/or group for the purpose of making an independent expenditure, nor shall any such entity expend any

moneys from any source, or make any contributions, to urge electors to vote in favor of or against any:

- (a) Statewide ballot issue that has been submitted for the purpose of having a title designated and fixed pursuant to Section 1-40-106(1), C.R.S. or that has had a title designated and fixed pursuant to that section;
 - (b) Local ballot issue that has been submitted for the purpose of having a title fixed pursuant to Section 31-11-111, C.R.S. or that has had a title fixed pursuant to that section;
 - (c) Referred measure, as defined in Section 1-1-104(34.5), C.R.S.;
 - (d) Measure for the recall of any officer that has been certified by the appropriate election official for submission to the electors for their approval or rejection.
- (2) Nothing in this section shall be construed as prohibiting:
- (a) A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood from responding to questions about any such issue described in subparagraph (I) of this paragraph (a) if the member, employee, or public entity has not solicited the question.
 - (b) (I) An agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending public moneys or making contributions to dispense a factual summary, which shall include arguments both for and against the proposal, on any issue of official concern before the electorate in the jurisdiction. Such summary shall not contain a conclusion or opinion in favor of or against any particular issue. As used herein, an issue of official concern shall be limited to issues that will appear on an election ballot in the jurisdiction.
 - (II) An elected official from expressing a personal opinion on any issue.
 - (III) An agency, department, board, division, bureau, commission, or council of the City of Lakewood:
 - (A) Passing a resolution or taking a position of advocacy on any issue described in subparagraph (I) of paragraph (a) of this subsection (1); ~~or~~
 - (B) Reporting the passage of or distributing such resolution through established, customary means, other than paid advertising, by which information about other proceedings of such agency, department, board, division, bureau, or council of the City of Lakewood is regularly provided to the public; or
 - (C) A member or an employee of an agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending personal funds, making contributions, or using personal time to urge electors to vote

in favor of or against any issue described in subparagraph (I) of paragraph (a) of this subsection (1).

B. The provisions of subsection (1) of this section shall not apply to:

- (1) An official residence furnished or paid for by the City of Lakewood;
- (2) Security officers who are required to accompany a candidate or the candidate's family;
- (3) Publicly owned motor vehicles provided for the use of the chief executive of the City of Lakewood;
- (4) Publicly owned aircraft provided for the use of the chief executive of the City of Lakewood or the executive's family for security purposes; except that, if such use is, in whole or in part, for campaign purposes, the expenses relating to the campaign shall be reported and reimbursed pursuant to subsection (3) of this section.

C. A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood who has policy-making responsibilities may not expend public moneys expressing an opinion on any such issue described in subparagraph (I) of this paragraph.

D. If any candidate who is also an incumbent inadvertently or unavoidably makes any expenditure which involves campaign expenses and official expenses, such expenditures shall be deemed a campaign expense only, unless the candidate, not more than ten working days after such expenditure, files with the City Clerk such information as the City Clerk may, by rule communicated and published by the City Clerk, require in order to differentiate between campaign expenses and official expenses. Such information shall be set forth on a form provided by the City Clerk. In the event that public moneys have been expended for campaign expenses and for official expenses, the candidate shall reimburse the City of Lakewood for the amount of money spent on campaign expenses.

E. Any violation of this section shall be subject to any appropriate order or relief, including an order directing the person and/or group making a contribution or expenditure in violation of this section to reimburse the fund of the City of Lakewood from which such moneys were diverted for the amount of the contribution or expenditure, injunctive relief, or a restraining order to enjoin the continuance of the violation.

F. Failure to comply with any provision of this ~~chapter~~ Code shall have no effect on the validity of any election.

2.54.070 Electioneering Communications.

- (1) Any person and/or group, including a corporation that qualifies under section 501(c)(4) of the Internal Revenue Code, that expends \$500.00 or more per calendar year on electioneering communications shall report to the City Clerk, in accordance with the disclosure required by this section, the amount expended on

the communications and the name and address of any person and/or group that contributes more than \$250.00 per year to the person and/or group expending \$500.00 or more on the communications. If the person and/or group making a contribution of more than \$250.00 is a natural person, the disclosure required by this section shall also include the person's occupation and employer.

- (2) Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that contributes \$500.00 or more during any one calendar year for the purpose of making an electioneering communication shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:
 - (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
 - (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S. 24-6-301(1.7); and
 - (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.
- (3) *Disclaimer.*
 - (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any electioneering communication on which the person and/or group responsible for the communication expends \$500.00 or more shall include in the communication a statement that:
 - (I) The communication has been "paid for by (full name of the person and/or group paying for the communication)";
 - (II) The communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
 - (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
 - (c) In the case of a ~~nonbroadcast~~ non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.
 - (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

2.54.080 Miscellaneous Provisions.

A. *Media outlets—Political records.* Any media outlet that is subject to the provisions of 47 U.S.C. sec. 315(e) shall maintain and make available for public inspection such records as the outlet is required to maintain to comply with federal law or rules.

B. *Immunity from liability.*

- (1) Any individual volunteering their time on behalf of a candidate or candidate committee shall be immune from any liability for a fine or penalty imposed pursuant to this ~~chapter~~Code in any proceeding that is based on an act or omission of such volunteer if:
 - (a) The volunteer was acting in good faith and within the scope of such volunteer's official functions and duties for the candidate or candidate committee; and
 - (b) The violation was not caused by willful and intentional misconduct by such volunteer.
- (2) Any media outlet shall be immune from civil liability in any court where the media outlet:
 - (a) Withdraws advertising time reserved by an independent expenditure committee that fails to register in accordance with the requirements of Section 2.54.030(F); or
 - (b) Elects to void an advertising contract and the advertisement:
 - (I) Is paid for by an independent expenditure committee that fails to register under this ~~chapter~~Code;
 - (II) Is paid for by an independent expenditure committee that is registered under Section 2.54.030 but the committee fails to file a required disclosure report through the date of the most recent required report; or
 - (III) If the independent expenditure committee otherwise fails to satisfy any requirements of this ~~chapter~~Code.
- (3) An affected media outlet may void a contract that implicates paragraph (b) of subsection (2) of this section in the sole discretion of the media outlet.

C. *Expenditures—Political advertising—Rates and charges.*

- (1) No candidate shall pay to any radio or television station, newspaper, periodical, or other supplier of materials or services a higher charge than that normally required for local commercial customers for comparable use of space, materials, or services. Any such rate shall not be rebated, directly or indirectly.
- (2) Any radio or television station, newspaper, or periodical that charges a candidate committee a lower rate for use of space, materials, or services than the rate such station, newspaper, periodical, or supplier charges another candidate committee for the same public office for comparable use of space, materials, or services shall

report the difference in such rate as a contribution to the candidate committee that is charged such lower rate.

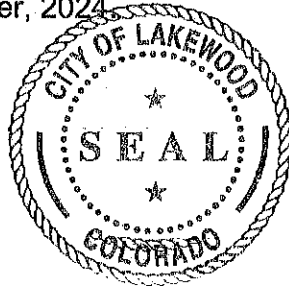
- (3) Nothing in this ~~article~~ Code shall be construed to prevent an adjustment in rates related to frequency, volume, production costs, and agency fees if such adjustments are offered consistently to other advertisers.

D. Encouraging Withdrawal from Campaign Prohibited. No person and/or group shall offer or give any candidate or candidate committee any money or any other thing of value for the purpose of encouraging the withdrawal of the candidate's candidacy, nor shall any candidate offer to withdraw a candidacy in return for money or any other thing of value.

SECTION 2. This ordinance shall take effect thirty (30) days after final publication.

SECTION 3. If any provision of this Ordinance should be found by a court of competent jurisdiction to be invalid, such invalidity shall not affect the remaining portions or applications of this Ordinance that can be given effect without the invalid portion, provided that such remaining portions or application of this Ordinance are not determined by the court to be inoperable.

I hereby attest and certify that within and foregoing Ordinance was introduced and read on first reading at a hybrid special meeting of the Lakewood City Council on the 4th day of November, 2024; published by title in the Denver Post and in full on the City of Lakewood's website, www.lakewood.org, on the 7th day of November, 2024; set for public hearing to be held on the 9th day of December, 2024; read, finally passed and adopted by the City Council on the 9th day of December, 2024; and signed by the Mayor on the 10th day of December, 2024.



ATTEST:

Jay Robb, City Clerk

Wendi Strom, Mayor

APPROVED AS TO FORM:

Alison McKenney Brown, City Attorney